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21 January 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Mr. George Norris, House Armed Services Special Subcommittee on Sea Power

1. In response to his questions of last week concerning registration of American and other merchant vessels in Liberia, the following information was provided:

(a) The registration fees from merchant vessels amounted to \$3.6 million in 1965 which was 6% of the government revenues of Liberia for that year. A projection of the 1968 registrations indicates an anticipated \$3 million in revenues which would equal about 6% of the government revenues for that year.

(b) The government of Liberia, as registering country, exercises legislative and regulatory control over merchant shipping during such period as the individual vessel is registered under the Liberian flag. Current controls exercised by Liberia accomplishes such objectives as restricting trade with Cuba and the Iron Curtain Countries. Presumably, however, exercise of too much control over merchant shipping could result in withdrawal of registration from the country.

(c) As for American-owned shipping, the U.S. Government exercises certain controls through war risk insurance.

2. The foregoing was related only in general terms with the caveat that details on these matters are really outside normal Agency expertise.

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3. I provided the name of Mr. Carol Perry, Office of Maritime Affairs, Department of State (182-2715), as a knowledgeable individual who could provide more detailed information or can guide Mr. Norris in searching out further information.

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